

No.2137

AMARAVATI, SATURDAY, NOVEMBER 18, 2023

G.2160

NOTIFICATIONS BY GOVERNMENT

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**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

YAT&C Department -Allotment of land on lease basis and Grant of Incentives for Development of Villas type of Mayfair Beach Resort & Convention by M/s Mayfair Hotels & Resorts Limited with 7-star facilities at Annavaram, Visakhapatnam in the State as per the provisions of AP Tourism Policy 2020-2025 - Orders - Issued.

YOUTH ADVANCEMENT, TOURISM AND CULTURE (T) DEPARTMENT

G.O.MS.No.13

Dt:21.07.2023

Read the following:

1. G.O.Ms.No.11, YAT&C(T)Dept., Dt:28-12-2020.
2. Letter received from President & Whole-time Director, Mayfair Hotels & Resorts Limited, Bhubaneswar. Dt:06.07.2023.
3. Minutes of the SIPC Meeting, Dt:10.07.2023.
4. Minutes of the SIPB Meeting, Dt:11.07.2023.
5. U.O.Note.No.229-A/2023, G.A. (CABINET) Department, Dt:14.07.2023.(Council Resolution No. 229-A/2023)

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ORDER :-

The State of Andhra Pradesh is blessed with the country's second longest coastline (974 Kms) and perennial rivers and scenic backwaters, is home to one of the world's most visited religious destinations, is considered as the birthplace of Mahayana Buddhism and boasts of a vibrant and rich culture and heritage. Evidently so, Andhra Pradesh is the fourth most visited state for domestic tourists in the country.

2. The Andhra Pradesh Tourism Policy 2020-2025 issued vide reference 1st cited, indicates the vision of the Government to develop the State into a premier world class tourist destination through luxury resorts, MICE centres, adventure parks and other tourism infrastructure. The Policy offers industry best incentives, attractive terms for land allotment that shall position the state as a premier world-class tourism destination with robust infrastructure. The state has been witnessing an increased interest from private players for investment in Tourism projects. The development of proposed 5-Star and above projects/Mega Projects/Large Tourism Projects through private investment will be a testament to the vision of the Government, to develop luxury and iconic projects in the state and will greatly aid in the overall development of the state.

3. The Managing Director, Andhra Pradesh Tourism Development Corporation Limited has stated that during the Global Investors Summit held on 3rd and 4th March, 2023 at Visakhapatnam, M/s Mayfair Hotels & Resorts Limited, Bhubaneswar have signed a Memorandum of Understanding with Tourism Department on 4th March, 2023 for development of a Resort Cum Convention Center at Annavaram with an estimated investment of Rs.500 Cr which will approximately generate employment opportunities for 700 persons. Honouring the Memorandum of Understanding, M/s Mayfair Hotels & Resorts Limited, Bhubaneswar, submitted a Detailed Project Report for development of a large Convention center at

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Annaram, in an area of 50 acres which will have 250 well-appointed rooms with restaurants, banquet hall, open to sky banquet venue, shopping mall with 50 serviced apartments, mini golf course, Spa, Gym and all related facilities of world class standard with an estimated cost of Rs.525 Cr spread over a period of 3 years. The project will generate direct employment to 200 persons initially and reach to 750 persons by the end of 7th year.

4. The President & Whole-time Director, M/s Mayfair Hotels & Resorts Limited, Bhubaneswar have requested the Government for allotment of 50Ac. of land at Annaram, Visakhapatnam on lease basis at Lease Rental of 1% of the SRO (Sub Registrar Office) value of the land per annum for a period of 4+90 years, 100% waiver of Land Conversion charges, 100% reimbursement of Stamp duty and transfer duty, 100% Reimbursement of net SGST accrued to the State for all new Tourism units for a period of (5) five years from COD or up to realization of 100% of the fixed capital investment, whichever is earlier, Power Cost Reimbursement - @ Rs 2.00/unit for 5 years from COD, to accord Industry status, Capital Subsidy for the Project, Interest Subsidy for working capital, Development of 6 Lane Road as per the existing planning of the Government, Supply of Electricity to the project site, Supply of Water to the Project Site, Providing Access Road to the Project Site, Infrastructural Development of the Peripheral Area.

5. Accordingly, the proposal was placed before the State Investment Promotion Board (SIPB) meeting held on 11.07.2023 with the recommendations of the State Investment Promotion Committee (SIPC) in its meeting held on 10.07.2023. After detailed discussions, the board has recommended to extend certain incentives to M/s Mayfair Hotels & Resorts Limited, Bhubaneswar respectively.

6. The Government after careful examination of the matter, has approved for allotment of land on lease basis under PPP mode and grant incentives based on the recommendations of State Investment Promotion Board (SIPB) for Development of Villas type of Mayfair Beach Resort & Convention by M/s Mayfair Hotels & Resorts Limited at Annaram, Visakhapatnam. The following are the land allotment terms and incentives provided based on the recommendations of the State Investment Promotion Board (SIPB) and as per provisions of A.P.Tourism Policy 2020-2025:-

- (a) for allotment of Ac 40.00 cts. of Land in Survey No 110 & 109 of Annaram Village, Bheemili Mandal, Visakhapatnam on lease basis to the Investor subject to condition that they will develop villas type of resort on the lines of Oberoi (Villas) Hotels and service apartments shall not be allowed to be constructed.
- (b) Allotment of land on lease basis subject to following conditions:-
 - (i) 1% of SRO value of land as lease rent per annum may be considered with lease enhancements of 5% in a block of 3 years as per AP Tourism Policy 2020-25.

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- (ii) In addition to the Annual lease rent, ADP is considered equal to 2% Gross Revenue. Higher of the actual gross receipts received and projected gross revenue (as per DPR) shall be considered for calculating ADP.
- (iii) 1.00% of the estimated Project cost subject to a maximum of Rs. 50 Lakhs may be collected from the developer towards the Project Development Fee (PDF) as a pre-condition for signing of the agreement.
- (c) tenure of land lease for a period of 90 years plus 4 years (Construction period)
- (d) 100% waiver of land conversion charges.
- (e) 100% reimbursement of stamp duty and transfer duty.
- (f) 100% reimbursement of net SGST for a period of 5 years from COD or upto a realisation of 100% of the fixed capital investment, whichever is earlier.
- (g) reimbursement of power charges @Rs1.00 per unit for a period of 5 years from COD. However, the fixed cost power reimbursement shall be capped up to a maximum amount on a yearly basis, as per the yearly power usage mentioned in the DPR.

7. The Chief Executive Officer, Andhra Pradesh Tourism Authority, Vijayawada shall take further necessary action, accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

RAJAT BHARGAVA
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To

The Chief Executive Officer,

Andhra Pradesh Tourism Authority, Vijayawada.

The Principle Finance Secretary to Government,

Finance Dept., A.P.Secretariat, Velagapudi.

The District Collector and Magistrate, Visakhapatnam.

M/s Mayfair Hotels & Resorts Limited, Bhubaneswar. (through CEO, APTA)

Copy to:

The Additional Secretary to Hon'ble CM.

OSD to Hon'ble Minister for Tourism (TC & YA).

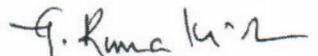
PS to Special Chief Secretary to Government.

The GA(Cabinet) Department, A.P.Secretariat, Velagapudi.

(w.r.t their U.O.Note.No. 229-A/2023, Dt:14.07.2023)

SF/SC.

// FORWARDED :: BY ORDER//


SECTION OFFICER

